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FLOOR DEBATE

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LB 75, 536

they did to us, for us here. We're going to raise the price of 85 subgrade fuel 10 cents a gallon over 87. They don't have a choice. We're going to price ethanol right out of the market, Nebraska. I'm an ethanol user, a corn grower. I want to get LB 536 out here on the floor and get that thing passed. It provides incentives for plants, new production and so on. The demand is out there for ethanol now. That's why the price was so high for so long, is they could sell it at a higher price than we were paying for no lead fuel. I don't fault them for that one bit. We go back to the price structure. People were down to 9 percent, I think Senator Connealy said, of use of ethanol now in sales. I have the 1999 printout here. When ethanol got to be the same price or cheaper than no lead, sales went up from January in 1999 from 26 percent of the market, ethanol, up to 37.5 percent in December. That was a reflection of the price of ethanol, not of...not of the raw product no lead. Was a product price of ethanol. It went down below the price of 87 octane fuel, so it made it price competitive. When you blended cheaper ethanol in it, we sold more of it. I'm going to repeat myself one more time. This is my third time on this amendment. What you're going to do is take 89 octane fuel off the market. Those people that are selling the most of it, it's going to force them to drop that off the market and go to 87 octane ethanol, and if you had to do it today it would be at a higher price than 87 octane no lead. I can't believe that people are going to go out and buy 87 octane ethanol at a higher price than 87 octane no lead. It's not going to happen. Those are the conditions now. In the past, it would have been at least a nickel a gallon higher. I think this could be very detrimental to the ethanol industry. I support it and that's why I'm standing up here. I will be criticized for my stand by Senator Schrock and Senator Connealy and some farm groups on this. You've got to believe though that if we take 89 octane off the market, price it at 87 octane...as 87 octane fuel and raise the price, consumption is going to go down. We can't simply say, well, Williams Brothers...and I do have some information here, Williams Brothers, Senator Bruning, bought out MAPCO a few years ago. MAPCO was a transmission company...

SENATOR CUDABACK: One minute.